

**Additional Proposed Legislation for the
March 17, 2010 City Council Meeting -
Filed in the Office of the City Clerk
March 5 Through March 11**



City of Rochester

City Hall Room 307A, 30 Church Street
Rochester, New York 14614-1290
www.cityofrochester.gov

NEIGHBORHOOD & BUSINESS DEVELOPMENT INTRODUCTORY NO.

118



Robert J. Duffy
Mayor

March 9, 2010

TO THE COUNCIL

Ladies and Gentlemen:

Re: Statement of Necessity

I am submitting this Statement of Necessity so that action may be taken at the appropriate Committee Meeting on March 11, 2010 regarding the attached legislation related to the HOME Rochester Asset Control Area Program. The funding plan for this program has only recently been finalized. Action by Council in March will allow program implementation to begin as soon as possible.

Respectfully submitted,

Robert J. Duffy
Mayor

2010 MAR -9 PM 3:45





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NEIGHBORHOOD & BUSINESS DEVELOPMENT INTRODUCTORY NO.

118



Robert J. Duffy
Mayor

44

March 9, 2010

TO THE COUNCIL

Ladies and Gentlemen:

Re: Asset Control Area Program / HOME Rochester Housing
Development Fund Corporation

Transmitted herewith for your approval is legislation related to the Asset Control Area/HOME Rochester Program (ACA) financing. This legislation will:

- 1) Establish \$238,000 as maximum compensation for an agreement with the Rochester Housing Development Fund Corporation (RHDFC) to create a loss reserve. The cost of this agreement will be funded from 2003-04 Cash Capital (\$169,300); and from 2004-05 Cash Capital (\$68,700). The term of the agreement will be from April 1, 2010 to December 31, 2013.
- 2) Establish \$25,000 as maximum compensation for an agreement with the RHDFC to create an interest reserve that will pay 1% interest annually on a working capital account established by the RHDFC. The cost of this agreement will be funded from 2009-10 Cash Capital as specified in the CIP (Home Ownership Program). The term of the agreement will be from April 1, 2010 to December 31, 2013.

The public private partnership that provides the acquisition and construction financing for HOME Rochester is preparing to close on its fifth funding facility (Loan V). Loan V will provide approximately \$14,000,000 in financing to the RHDFC for the HOME Rochester program which will renovate vacant or foreclosed single family homes for eventual sale to low and moderate income buyers. Additional information about the structure and management of HOME Rochester is attached.

The Loss Reserve is required to induce the participation of public and private lenders providing the capital to fund Loan V. The lead lender for Loan V is JPMorgan Chase. Participating lenders are anticipated to include the City of Rochester, M&T Bank, First Niagara Bank, HSBC, Greater Rochester Housing Partnership, and the United Way. The City will participate as a lender through an allocation of Neighborhood Stabilization Program funds awarded by New York State Housing Finance Agency (HFA). These funds were appropriated on December 15, 2009 (Ordinance 2009-415).

The interest reserve is necessary in order to establish a \$750,000 working capital fund from the United Way. The working capital will be used to purchase vacant and foreclosed properties for Home Rochester. The renovation of the properties will be funded by Loan V.

Respectfully submitted,

Robert J. Duffy
Mayor



Ordinance No.

Authorizing Agreements For The
HOME Rochester Program

BE IT ORDAINED, by the Council of the City of Rochester as follows:

Section 1. The Mayor is hereby authorized to enter into an agreement with the Rochester Housing Development Fund Corporation (RHDFC) to fund a loss reserve account to be utilized by the RHDFC in conjunction with the acquisition, rehabilitation and resale of properties as a part of the HOME Rochester Program. The agreement shall extend from April 1, 2010 through December 31, 2013.

Section 2. The agreement for the loss reserve account shall obligate the City to pay an amount not to exceed \$238,000, and of said amount, or so much thereof as may be necessary, \$169,300 shall be funded from the 2003-04 Cash Capital Allocation and \$68,700 shall be funded from the 2004-05 Cash Capital Allocation.

Section 3. The Mayor is hereby authorized to enter into an agreement with the RHDFC to fund an interest reserve account that will pay 1% interest annually on a working capital account to be utilized by the RHDFC in conjunction with the acquisition, rehabilitation and resale of properties as a part of the HOME Rochester Program. The agreement shall extend from April 1, 2010 through December 31, 2013.

Section 4. The agreement for the interest reserve account shall obligate the City to pay an amount not to exceed \$25,000, and said amount, or so much thereof as may be necessary, shall be funded from the 2009-10 Cash Capital Allocation.

Section 5. The agreements shall contain such additional terms and conditions as the Mayor deems to be appropriate.

Section 6. This ordinance shall take effect immediately.



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NEIGHBORHOOD & BUSINESS DEVELOPMENT INTRODUCTORY NO.

119



Robert J. Duffy
Mayor

March 10, 2010

TO THE COUNCIL

Ladies and Gentlemen:

Re: Statement of Necessity

I am submitting this Statement of Necessity so that action may be taken at the appropriate Committee Meeting on March 11, 2010 regarding the attached legislation related to the Frederick Douglass Apartments development project. Action on this item in March will allow the long-awaited sale and renovation of the property to proceed.

Respectfully submitted,

Robert J. Duffy
Mayor

2010 MAR 11 PM 12:05





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NEIGHBORHOOD & BUSINESS DEVELOPMENT INTRODUCTORY NO.

119



Robert J. Duffy
Mayor

23

March 10, 2010

TO THE COUNCIL

Ladies and Gentlemen:

Re: Amending Ordinance No. 2008-134, Loan
Agreement for Frederick Douglass Apartments

Transmitted herewith for your approval is legislation amending Ordinance No. 2008-134, which authorized a loan agreement with a housing development fund company to be formed by the Rochester Housing Authority for the purpose of acquiring property for development as the Frederick Douglass Apartments. This legislation will reduce the amount of the loan from \$1.3 million to \$707,000.

RHA submitted a funding application to the NY State Division of Housing and Community Renewal (DHCR) to purchase and renovate six attached buildings located at 442-466 West Main Street, which are currently owned by West Main Street Partners, LLP. The finished project, Frederick Douglass Apartments, will provide 28 units of affordable rental housing with ten commercial spaces to be made available on the first floors. RHA's application with DHCR is currently under review.

As part of the re-development financing plan, RHA requested that the City enter into a loan agreement in which two existing loans between the City and the current owner, West Main St. Partners, LLP, would be consolidated, with interest-only payments to be made over a 30 year term. In April 2008, Ordinance 2008-134 authorized the City to enter into such loan agreement with RHA for \$1.3 million. This loan agreement would take effect upon RHA's acquisition of the buildings.

It is DHCR's contention that the current loan amount of \$1.3 million far exceeds the market value of the buildings and that this loan must be reduced if DHCR is to provide funding. As such, DHCR is requiring that the City's loan amount be reduced to \$707,000, an amount DHCR has calculated to reflect true market value. If the City's loan cannot be reduced to this amount, DHCR will not be able to fund the project.

The City loan will be subordinated to the new mortgage loan against the properties made by the NY State Division of Housing and Community Renewal in the proposed amount of \$2,500,000. If the transaction does not close, the City's mortgages will be unaffected.

Respectfully submitted,

Robert J. Duffy
Mayor



Ordinance No.

Amending Ordinance No. 2008-134,
Relating To The Frederick Douglass
Apartments Project

BE IT ORDAINED, by the Council of the City of Rochester as follows:

Section 1. Ordinance No. 2008-134, relating to a loan agreement for the Frederick Douglass Apartments Project, is hereby amended by authorizing a reduction of the City's existing loans and liens on the properties to the sum of \$707,000, to reflect current values and to allow the Rochester Housing Authority to obtain State funding for improvements to the Project. The Rochester Housing Authority or a housing development fund company formed by it is authorized to assume the reduced debt.

Section 2. This ordinance shall take effect immediately.



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FINANCE
INTRODUCTORY NO.

120



Robert J. Duffy
Mayor

March 11, 2010

TO THE COUNCIL

Ladies and Gentlemen:

Re: Statement of Necessity

I am submitting this Statement of Necessity so that action may be taken today at the appropriate Committee Meeting regarding the attached legislation related to the sale of land at the Hemlock and Canadice Lakes Watershed. Action on this legislation will allow the sale to NY State to be finalized as soon as possible.

Respectfully submitted,

Robert J. Duffy
Mayor

2010 MAR 11 PM 12:44





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FINANCE
INTRODUCTORY NO.

120



Robert J. Duffy
Mayor

16

March 11, 2010

TO THE COUNCIL

Ladies and Gentlemen:

Re: Sale of Land to New York State

Transmitted herewith for your approval is legislation related to the sale of land in the Hemlock Lake and Canadice Lake watershed. This legislation will:

1. Authorize the sale of a total of approximately 6,832 acres of watershed properties in the Livingston County Towns of Livonia, Conesus, and Springwater, and the Ontario County Towns of Richmond and Canadice, to the New York State Department of Conservation (NYSDEC) for a negotiated price of \$13,697,100;
2. Authorize an agreement with the NYSDEC for the reimbursement of the cost for the City's maintenance of the properties.
3. Authorize amendments to the payment of the in lieu of tax (PILOT) agreements the City entered into on January 1, 1989 with the Towns of Livonia and Conesus, the County of Livingston, and the Livonia School District;
4. Authorize agreements with the NYSDEC to assume and continue payment of any remaining portion(s) of the in lieu of tax (PILOT) agreements; and
5. Appropriate \$6,848,600 of the sale proceeds and amend the Cash Capital allocation of the 2009-10 Budget by that amount to fund a portion of the cost of improvements, including a marina, at the Port of Rochester.

A portion of the remaining amount of the sale proceeds, \$2,000,000, was included in 2009-10 to prevent a water rate increase for 2009-10. The balance of \$4,848,500 will be included in the Water Fund for planned water capital improvements and to moderate future water rate increases.

Two parcels, comprising a total of 190 acres, will be retained by the City for the operation of the water treatment facility. One of the parcels, approximately 177 acres in the Town of Livonia, is the site of the filtration plant, the City's Hemlock Operations Center and storage area, a park, and land associated with ongoing operations. The second, approximately 13 acres in the Town of Canadice, includes the control dam and easements for lake access.

The City's primary water supply is drawn from two of the Finger Lakes - Canadice and Hemlock - located approximately 28 miles south of the City. The water is distributed along a system that includes reservoirs in the town of Rush and in the City's Highland and Cobbs Hill Parks. Hemlock Lake first supplied water to the City in 1876; Canadice Lake was incorporated into the system in 1919. In order to protect this valued public water source, the City, over the years, acquired all property surrounding the two lakes, removing residential and commercial structures and conducting a comprehensive re-forestation of former agricultural areas.



City stewardship of the lakes and adjacent lands over the last century has provided a superior water supply and the protection of valuable regional resources, including open space, wildlife habitat, and fisheries. As a direct result of City efforts, these are the only Finger Lakes that remain pristine, with no shoreline development and providing a remote, natural atmosphere unique to the Northeastern United States.

Sale of this property to NYSDEC has multiple benefits for the City. The property will remain undeveloped, thus protecting the public water supply and public health. Use of the lakes as the City's public water supply will be unfettered. Stewardship by the NYSDEC will ensure that the property will remain undeveloped, protecting the unique, natural environment. The standards of NYSDEC for property maintenance and preservation meet or exceed the City's current standards, sealing the City's legacy of good stewardship.

Protection of City watershed property is in accord with the NY State Open Space Conservation Plan, and has been a Priority Project since 1992. Sale to the NYSDEC will be fiscally responsible, by generating revenue from the sale, as well as significantly reducing the City's annual property tax burden. NYSDEC will assume the property tax burden, thus protecting the finances of the watershed towns and agencies.

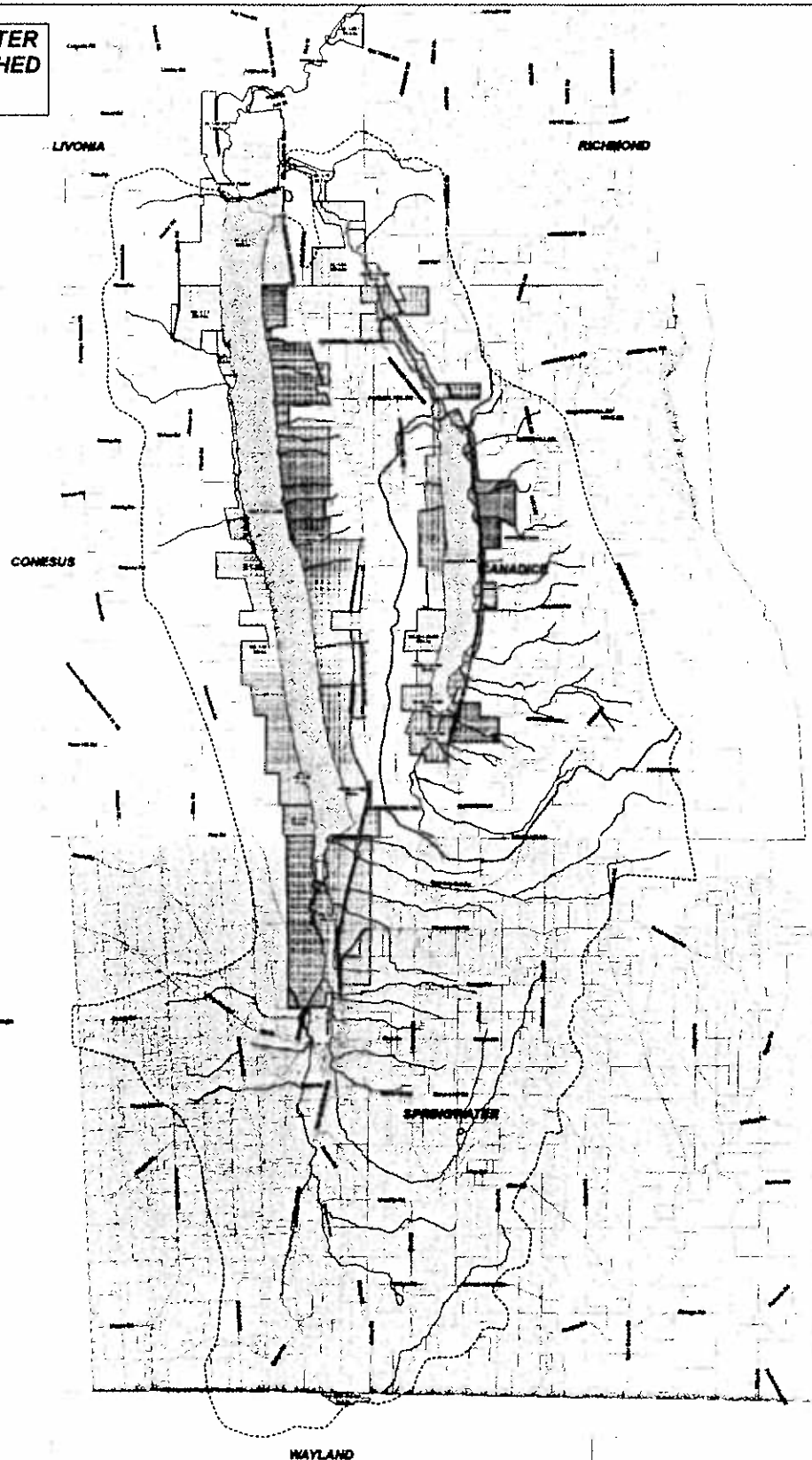
Respectfully submitted,

A handwritten signature in black ink, appearing to read "R. J. Duffy", with a stylized flourish at the end.

Robert J. Duffy
Mayor

CITY OF ROCHESTER UPLAND WATERSHED

December 1997



Legend

- Non-City Owned Parcels
- ▨ City-Owned Parcels w/ Tax ID and Assessed
- ▤ Canadian Lake Watershed
- ▥ French Lake Watershed



1" equals 2,000'

City of Rochester Water Bureau
Water Resource Map
©1997 The water resource map is based on the existing water resources and is not intended to be used for any other purpose. For more information, contact the Water Bureau at (516) 462-1000.

Water Bureau Contact Information
City of Rochester, New York 14602
Water Bureau, 1000 1st Avenue
Water Bureau, 1000 1st Avenue, Rochester, NY 14602-1000

Partial Data Obtained from Livingston, Ontario and Seneca County Planning Departments

Ordinance No.

Authorizing The Sale Of Hemlock/Canadice
Watershed Lands And Amending The 2009-10
Budget

BE IT ORDAINED, by the Council of the City of Rochester as follows:

Section 1. The Council hereby approves the sale of the City's Hemlock/Canadice watershed lands, comprising approximately 6,832 acres of land in the Towns of Canadice and Richmond in Ontario County and the Towns of Livonia, Conesus and Springwater in Livingston County, to the New York State Department of Conservation for the sum of \$13,697,100. The City shall retain approximately 177 acres in the Town of Livonia and approximately 13 acres in the Town of Canadice.

Section 2. The Mayor is hereby authorized to enter into agreements with the New York State Department of Conservation for the transfer and maintenance of the properties. The Mayor is hereby further authorized to enter into an agreement with New York State whereby the State shall assume and agree to pay the City's PILOT payments applicable to the transferred watershed properties. The Mayor is hereby further authorized to enter into any necessary amendments of the PILOT agreements with the Town of Conesus, the Town of Livonia, Livingston County and the Livonia Central School District whereby the City shall agree to continue to pay the PILOT payments applicable to the watershed properties being retained by the City. Under the maintenance agreement, the City may continue to maintain the properties for the State, upon the State's agreement to reimburse the City for its costs.

Section 3. The agreements shall contain such additional terms and conditions as the Mayor deems to be appropriate.

Section 4. Ordinance No. 2009-188, the 2009-10 Budget of the City of Rochester, as amended, is hereby further amended by increasing the revenue estimates and appropriations to the Cash Capital Allocation by the sum of \$6,848,550 for improvements at the Port of Rochester, and to the Cash Capital Allocation (Water Fund) by the sum of \$4,848,550, which amounts are hereby appropriated from the sale proceeds.

Section 5. This ordinance shall take effect immediately.